

YUKOS announces results of multi-year resources study at Yuganskneftegas

Moscow, September 17, 2004 -YUKOS Oil Company announced today the results of multi-year studies of the Achimov producing horizon (located at depths different from those of previously identified producing horizons in properties of Yuganskneftegas) and the Priobskoye Field. The studies have identified recoverable resources well in excess of the Society of Petroleum Engineers (SPE) proven, probable and possible (3P) reserves that YUKOS has previously disclosed for its Yuganskneftegas subsidiary. The recoverable resources resulting from the studies are estimated to be 74.3 billion barrels (10.1 billion metric tons) greater than the 19.4 billion barrels (2.7 billion metric tons) of 3P reserves identified as of December 31, 2003, for a total new recoverable resources base of 93.7 billion barrels (12.8 billion metric tons) in Yuganskneftegas.

While the amount of incremental resources which may be reflected in YUKOS' reserves calculations for yearend 2004 have not yet been subject to an independent reserves audit by YUKOS' outside reserves auditor, DeGolyer & MacNaughton (D&M), D&M has informed YUKOS that it believes that there are significant potential recoverable resources in Yuganskneftegas beyond those identified in the reserves estimates prepared by D&M as of December 31, 2003.

Based upon initial estimates from the results of the studies, YUKOS believes that a portion of the incremental recoverable resources which have been identified are expected to be reflected in the year-end 2004 SPE proven, probable and possible reserves calculations for Yuganskneftegas. No determination has been made regarding reserves which may be reported in accordance with US Securities and Exchange Commission (SEC) requirements. The incremental recoverable resources estimate described herein includes only liquid hydrocarbons and does not currently reflect any calculations of recoverable resources for associated gas.

Recoverable resources should not be equated to recoverable reserves. The U.S. Energy Information Administration (EIA) describes "recoverable resources" as "a broader category, encompassing estimates of both proved, and undiscovered volumes that would be economically extractable under specified price-cost relationships and technological conditions. By definition, there is a lower level of certainty attached to resource estimates than to proved reserve estimates." The price-cost relationships and technological conditions assumed by YUKOS in determining the amount of recoverable resources do not differ significantly from prevailing market forecasts and conditions. **Recoverable resources is different from the SEC defined reporting for reserves used in YUKOS' US GAAP financial reporting, and from the SPE definitions of proven, probable and possible reserve categories. The actual amount of reserves which are ultimately economically recoverable may differ significantly from the estimate of recoverable resources.**

Summary Table of Revised Recoverable Resources

	Current SPE Total Reserves 12/31/2003*		New Estimate of Recoverable Resources 8/31/2004		Current Production Rate	
	billion barrels	billion metric tons	billion barrels	billion metric tons	barrels per day	tons per day
Priobskoye	7.8	1.1	27.6	3.8	416,000	57,000
Yuganskneftegas Achimov	2.7	0.4	57.2	7.8	90,000	12,000
Remainder of Yuganskneftegas	8.9	1.2	8.9	1.2	553,000	76,000
Total	19.4	2.7	93.7	12.8	1,059,000	145,000

* DeGolyer and MacNaughton calculation of Proven, Probable and Possible reserves calculated under SPE definitions, as of December 31, 2003

The new recoverable resources estimate is based upon several years of studies. While YUKOS personnel participated in all aspects of the studies, D&M provided consulting services with respect to the Achimov studies and PetroTel provided consulting services with respect to the Priobskoye studies. These included 3D seismic, advanced well logs and their interpretation, well test analysis and state of the art modeling. D&M is an independent petroleum consulting firm based in Dallas, Texas. PetroTel is an independent petroleum consulting group based in Plano, Texas.

A new resources characterization model completed by PetroTel on its state-of-the-art modeling system GeoPC, with full active participation of YUKOS geologists, petrophysicists and engineers, lead to the revision for Priobskoye. The new Priobskoye model is one of the largest geostatistical models ever completed in the world oil industry with over 34 million grid blocks and 80 vertical layers. The model uses data from 958 active wells, and 143 exploration wells, which were upscaled into YUKOS' dynamic reservoir model with the help of PetroTel's engineers.

YUKOS is currently operating about 500 wells at a number of oilfields in its Yuganskneftegas subsidiary producing approximately 90,000 barrels of oil per day from certain limited areas of the Achimov zone. However, the producibility of the Achimov horizon as a whole has been questionable until now. After developing proprietary fracturing technology for more than 18 months, with the goal of making the Achimov zone produce at commercial rates, YUKOS designed and executed Russia's largest ever fracture job using the highest permeability proppant commercially available anywhere in the world. Comprehensive evaluation of well performance was one of the principal aspects of the analysis which was undertaken to complete the study of the Achimov resources in Yuganskneftegas.

The information with respect to the new recoverable resources estimate has been provided to Dresdner Kleinwort Wasserstein for its review in association with its valuation of Yuganskneftegas under contract with the Russian Federation Ministry of Justice and additionally to other entities which are performing valuations for YUKOS. Revised development plans for Yuganskneftegas properties, as a result of the new resources estimate, have not been presented to the government of the Russian Federation.

Forward-looking statements. Some of the information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of YUKOS. We caution you that these statements are not guarantees of future performance and involve risks, uncertainties, and assumptions that we cannot predict with certainty. Accordingly, our actual outcomes and results may differ materially from what we have expressed or forecasted in the forward-looking statements. We do not intend to update these statements to make them conform with actual results.

Equivalent measurement. Crude oil resources and production information in metric tons has been derived from respective information in barrels using a conversion coefficient of 1 metric ton = 7.3 barrels.

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